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BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

MAY 4 4 39 PM '00 POSTAL MATE SUMMISSION OFFICE OF THE SCORETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF VAL-PAK DIRECT MARKETING SYSTEMS, INC., VALPAK DEALERS' ASSOCIATION, INC., AND CAROL WRIGHT PROMOTIONS, INC.
(VP-CW/USPS—1)

The United States Postal Service hereby provides its response to the following interrogatory of Val-Pak Direct Marketing Systems, Inc., Val-Pak Dealers' Association, Inc., and Carol Wright Promotions: VP-CW/USPS—1, filed on April 25, 2000.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Anthony Alverno

Attorney

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202) 268-2997; Fax –6187 May 4, 2000

RESPONSE OF UNITED STATES POSTAL SERVICE TO INTERROGATORY OF VAL-PAK DIRECT MARKETING SYSTEMS, INC., VAL-PAK DEALERS' ASSOCIATION, INC., AND CAROL WRIGHT PROMOTIONS, INC.

VP-CW/USPS-1. The table below shows Test Year Before Rates volumes for Standard A ECR. The total volumes are the same, but they differ substantially with respect to the details. Please reconcile the TBYR volumes of letter and non-letters as developed and used by witnesses Daniel (USPS-T-28) and Moeller (USPS-T-35).

Standard A ECR Test Year Before Rates Volumes (millions)

| Daniel | | | Moeller |
|--------------|------------|-------------|------------|
| Letters | 13,127.962 | Letters | 10,799.400 |
| Non-letters: | | Non-letters | · |
| Flats | 20,455.078 | Pc-rated | 13,953.781 |
| Parcels | 47.477 | Lb-rated | 8,877.336 |
| TOTAL | 33,630.517 | | 33,630.517 |

Sources: Witness Daniel (USPS-T-28), USPS-LR-I-92, pages 16, 19-22. Witness Moeller (USPS-T-35), USPS-LR-I-166, WPI, page 4.

RESPONSE:

The Daniel letter volume is based on the actual shape of the piece, regardless of weight, and is based on a base year figure that is factored up to the forecasted Test Year volume total. The Moeller letter volume is directly from the volume forecast and is limited to letter-shaped pieces below the breakpoint weight.

The Daniel nonletter volumes (which are delineated by shape in this interrogatory) are derived similarly to her letter volume. The Moeller nonletter volumes (which are delineated by piece-rated versus pound rated) are, like the letter volumes, from the Test Year volume forecast.

See also response to interrogatory ADVO/USPS-T28-1.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Anthony Alverno

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